REMARKS

Claims 1, 3 – 19, 21, and 23 – 40 have been examined. Claims 1, 3, 4, 8 – 10, 13, 14, 16 – 18, 23 – 27, 31, 32, 34 – 37, 39, and 40 stand rejected under 35 U.S.C. §103(a) as unpatentable over U.S. Pat. Publ. No. 2002/0016740 ("Ogasawara") in view of U.S. Pat. Publ. No. 2005/0040230 ("Swartz"); Claims 5 – 7, 11, 12, 15, and 28 stand rejected under 35 U.S.C. §103(a) as unpatentable over Ogasawara in view of Swartz and further in view of U.S. Pat. Publ. No. 2003/0018522 ("Denimarck"); Claims 19, 21, 33, and 38 stand rejected under 35 U.S.C. §103(a) as unpatentable over Ogasawara in view of Swartz and further in view of U.S. Pat. Publ. No. 2002/0015176 ("Takao"); Claims 29 and 30 stand rejected under 35 U.S.C. §103(a) as unpatentable over Ogasawara in view of Swartz and further in view of Denimarck and Takao. The rejections are again respectfully traversed.

1. Effective Filing Date of Disclosures of Swartz

The Office Action continues to rely on certain disclosures of Swartz, namely ¶¶ 79, 115, and 191. In the previous response, it was noted that these disclosures had not been established as prior art to the effective filing date of the pending claims (Response filed October 19, 2005, pp. 10 – 11). The current Office Action does not disagree with the assertion in that Response that the effective filing date of the claims is August 30, 2001, but states that "the effective filing date of the Swartz reference is September 5, 1996, which is a date earlier to the effective filing date of the present application" (Office Action, p. 3).

It is respectfully believed that this is not a proper application of the law. Specifically, a reference is not necessarily entitled to an earlier effective filing date in its entirety, particularly in a case like that of Swartz where the priority chain includes applications that have different disclosures. Particular disclosures within the reference may be entitled to different priority dates depending on when they were included and filed with the Patent Office. The MPEP explains:

> In order to carry back the 35 U.S.C. 103(e) critical date of the U.S. patent reference to the filing date of a parent application, the U.S. patent reference must have a right of priority to the earlier date under 35 U.S.C. 120 or 365(c) and the parent application must support the invention as required by 35 U.S.C. 112, first paragraph. "For if a patent could not theoretically have issued the day the application was filed, it is not entitled to be used against another as 'secret prior art' " under 35 U.S.C. 102(e) *In re Wertheim*, 646 F3,d 527, 537, 209 USPQ 554, 564 (CCPA 1981).
> (MPEP 2136.03.IV, emphasis added).

The undersigned has diligently searched both U.S. Pat. No. 5,825,002 ("the '002 patent), relied on by Swartz for the September 5, 1996 date used in the Office Action, and U.S. Pat. Appl. No.09/487,923 ("the '923 application), which is the latest application in the priority chain of Swartz to have a filing date that precedes the effective filing date of the claims. A copy of the '923 application was provided for the Examiner's convenience with the previous response.

Paragraph 79 of Swartz is:

> [0079] The customer profile database (or a separate related customer database) may also maintain other information about the customer's shopping behavior. The records in the database are dynamically determined by analyzing the customer's shopping behavior. The more a customer uses the system, the more reference points the system has to provide more accurate information. The customer's shopping behavior may be determined in "real time." The shopping behavior does not need to be based on prior shopping visits, but may be determined as the customer scans items. As the customer scans products, the system may update the information in the databases. The records in the database may include products that are "linked" to other products. For instance, a customer may have a record of purchasing a certain brand rye bread each time he purchases peanut butter. Thus, for this particular customer the system will develop a link between these two products. As a customer continues to shop within a store, the system is able to establish links between products. The database may also include records relating to a product price sensitivity factor. The product price sensitivity factor relates to whether the customer has purchased the product at full price or at a discount. A low product price sensitivity factor indicates that the customer is not sensitive to the price of the product. For instance, a customer may always buy a certain brand of aspirin regardless of whether the customer receives a discount. A high product price sensitivity factor indicates that the customer is very sensitive to the price of the product. For instance, a particular customer may only buy a certain brand of cola when it is on sale. The database may also include records relating to each customer's replenishment frequency for products. The replenishment frequency record relates to how often the customer typically repurchases the product. For example, a designation of 1 may indicate that a particular customer replenished in an interval less than a week; a designation of 2 may indicate that a product is

> typically replenished in a weekly interval; a designation of 3 may indicate that a product is typically replenished every two weeks; a designation of 4 may indicate that a product is typically replenished every three weeks; a designation of 5 may indicate that a product is typically replenished every month; a designation of 6 may indicate that a product is typically replenished every two months; a designation of 7 may indicate that a product is typically replenished in a period greater than two months.

This paragraph does not appear in either the '002 patent nor in the '923 application. It is accordingly not prior art to the pending claims.

Paragraph 115 of Swartz is:

> [0115] Additional security can be incorporated into the system by requiring the customers to identify themselves to the system by scanning a customer loyalty card. In addition, a video camera can be positioned to record customer transactions. Theft is reduced-since the customer then knows that he is being observed and that his identity is known.

This paragraph does not appear in either the '002 patent nor in the '923 application. It is accordingly also not prior art to the pending claims.

Paragraph 191 of Swartz is:

> [0191] In one embodiment of the present invention, after a customer scans a product, the host accesses the product profile database to determine if there are any messages associated with the product. Thus, when a consumer scans a "Coke" can, he may receive the voice message "COKE IS IT." Alternatively, the central host may access the customer profile database and determine the customer's prior purchase records, and detect correlation of purchased items. If such a correlation to a scanned item is identified, the portable terminal may be prompted to display a message reminding the consumer to purchase other associated products or products usually purchased by the consumer but not currently selected. For example, if a consumer purchases hot dogs, the central host may send a message to the portable terminal, "Do you need hot dog buns and mustard?" The message would be dependent on the customer's transaction list and prior purchasing history, a positive, response selected, and if the display would show a new page providing cost and location data. In addition, if the customer's prior purchase record indicates that the customer usually buys charcoal with hot dogs or hamburgers, the terminal may also ask the customer if he needs "Charcoal." Again, the prompted items would be provided with a link to an informational page to provide cost and location. The item prompts would also be turned off in the event the central host determines that the product is out of stock.

This paragraph does not appear in the '002 patent. A paragraph that is similar, but not identical, to this paragraph appears in the '923 application at p. 25, l. 22 – p. 26, l. 11. The '923 application was published as U.S. Pat. Publ. No. 2002/0050526 and it is accordingly acknowledged that the form of the paragraph that appears in the '923 application is prior art to the claims.

The Office Action blanketly asserts that "an examination by the Examiner[] reveals that the prior applications filed prior to the Applicant's filing date shows that the disclosure relied [on] by the Examiner are present and[,] therefore, the Swartz reference is prior art because the effective filing date is September 5, 1996" (Office Action, p. 3). But no specific citation is made to the prior applications where those disclosures may be found, despite Applicants' prior "request [for] a specific identification of support for an earlier claimed filing date" (Response filed October 19, 2005, p. 11). It is perhaps worth noting that if the Office Action's assertion is correct that the effective 102(e) date for all disclosures in Swartz is September 5, 1996, then the rejections could as easily have been made over the '002 patent as 102(b) or 102(e) art. The fact that such rejections have not been made implicitly confirms that the relevant disclosures are absent from at least the '002 patent.

2. Relevance of Disclosures

The current Office Action does not address the previously presented argument regarding the relevance of the disclosures of ¶¶ 79, 115, and 191 of Swartz other that to quote the argument and assert that "[t]he [Examiner] respectfully submits that Claims 1, 3-4, 8-10, 13-14, 16-18, 23-27, 31-32, 34-35 and 36-37 and 39-40 are rejected under 35 U.S.C. 103(a) as being unpatentable over Pub. No.: US 2002/0016740 of Ogasawara in view of Pub. No.: US 2005/0040230 A1 of Swartz et al. … as detailed above (See rejection of the pending claims in office action mailed on July 27, 2005)" (Office Action, pp. 4 – 5).

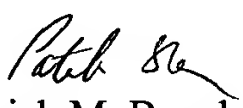
Reconsideration of the previously presented argument is accordingly requested. The prior Office Action appeared to acknowledge at p. 4 that the following limitation of independent Claim 1 is not disclosed in Ogasawara, and relied on ¶¶ 79, 115, and 191 as teaching the limitation: "for each customer who does not execute a transaction with the first entity, recording particulars of such each customer's visit in the database as part of a record affiliated with an identification of such each customer." But those paragraphs do not disclose the claim limitation, particularly the requirement that the particulars be recorded as part of a record affiliated with an identification of such each customer. All of the paragraphs are conspicuously silent on recording particulars of a visit by a customer "who does not execute a transaction." Since at least this limitation of independent Claim 1 is not taught or suggested by the cited art, no *prima facie* case has been established under §103(a). MPEP 2143. The other independent claims, i.e. Claims 29, 31, and 36, include similar limitations and the rejections of those claims are similarly deficient. The independent claims are accordingly believed to be patentable and the claims that depend therefrom are believed to be patentable by virtue of their dependence from patentable claims.

CONCLUSION

In view of the foregoing, Applicants believe all claims now pending in this Application are in condition for allowance and an action to that end is respectfully requested.

If the Examiner believes a telephone conference would expedite prosecution of this application, please telephone the undersigned at 303-571-4000.

Respectfully submitted,



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